## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6608 NOTE PREPARED:** Jan 5, 2011

BILL NUMBER: SB 437 BILL AMENDED:

**SUBJECT:** Ban on Use or Sale of Coal Tar Pavement Products.

FIRST AUTHOR: Sen. Kruse BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$  DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill prohibits the application or sale of a coal tar pavement product, unless the product is required for research on the effect of a coal tar pavement product on the environment.

Effective Date: July 1, 2011.

<u>Explanation of State Expenditures:</u> Use of Sealants. The proposal could impact state and local governments that use coal tar pavement products. The entities would need to use an asphalt-based product or other alternative. The extent to which an alternative would reduce or increase expenses is indeterminable. Asphalt emulsion could cost 50% less, but may need to be applied twice as frequently. The impact will depend on the circumstances of the unit of government and what products the unit purchases. (Additional information will be provided when it becomes available.)

Attorney General. The proposal adds the prohibition of selling or applying coal tar to a list of prohibitions in IC 13-30-2-1. IC 13-30-1 authorizes the Attorney General (AG), the state, local agencies, individuals, and other entities to seek judicial relief. Applicants seeking relief must give notice to the Department of Natural Resources (DNR); the Department of Environmental Management (IDEM); and the AG. The AG must notify all state administrative agencies having jurisdiction. Agency boards may adopt rules to implement the provisions of the proposal.

Agencies currently budget for rule adoption. Expenses incurred by state agencies resulting from violations will depend on administrative actions taken, if any.

**Explanation of State Revenues:** An action must be brought in a circuit or superior court in the county in

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which the significant pollution, impairment, or destruction is alleged to have occurred. The state and local units could receive revenue generated by court filing fees or by financial relief awarded by the courts.

**Explanation of Local Expenditures:** See *Explanation of State Expenditures* above.

**Explanation of Local Revenues:** See *Explanation of State Revenues* above

**State Agencies Affected:** All.

**Local Agencies Affected:** All.

<u>Information Sources:</u> Washington State Department of Transportation, Tech Notes, State Materials Laboratory; U.S. Geological Survey.

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